

WISCONSIN WORKS (W-2) CONTRACT AND IMPLEMENTATION COMMITTEE

201 E. Washington Avenue, GEF 1, Room 400X
Madison, WI

Friday, December 15, 2000

10:00 AM - 2:00 PM

MINUTES

The W-2 Contract and Implementation Committee is the single point of contact for feedback to the Department of Workforce Development on policy implementation related to W-2 agencies, and includes representation from the Wisconsin County Human Service Association (WCHSA), Urban Caucus counties, W-2 private agencies in Milwaukee County and the balance of state, and Tribal W-2 agencies.

COMMITTEE:

Members (Present = X)

X Jennifer NoyesDES/AO
William B. AdamsRacine County
Jon Angeli.....Southwest Consortium
X Phyllis A. BerminghamMarathon County
Doris GreenOIC
X Tina KoehnUMOS
X James NitzKaiser Group
Laverne PlucinskiBad River Chippewa
X Jewel Reichert.....Fond du Lac County
X Adelene RobinsonKenosha County
Shirley RossLa Crosse County
X Sara ShackletonDane County
X Jerry StepaniakMAXIMUS
Julia TaylorYW Works
Glynis UnderwoodESI
X Michael Van DykeDoor County

Alternates (Present = X)

Jan Alft.....Marathon County
X Linda Brandenburg ESI
X Cheryl Cobb..... UMOS
X Mona Garland..... OIC
Deb Hughes.....Southwest Consortium
X Edward Kamin IIIKenosha County
Richard L. KammerudPolk County
X James KrivskyRacine County
X Barbara MetoxenOneida Nation
Tom Miller.....La Crosse County
X Teresa PierceWorkforce Connections, Inc
X Rita RennerYW Works
Chris SchmitzFond du Lac County

State Staff

Attendees:

Tim Hineline, BWSP/CARES
Barbara Harris, BFS
Jerry Beattie, BFS
Mary Moyer, BWSP
Lynn Schmitt, BWSP
Howard Bernstein, OLC

Gerry Mayhew, BFS/Training

Kevin Huggins, BFS
Jayne Wanless, BWSP
Shawn Smith, BDS
Ceri Jenkins, BWSP

Joseph Stafford, BFS

Rose Lynch, ASD
Fred Bartol, BWSP
Paul Saeman, BDS
Jude Morse, BDS

Guests:

Tim Cowan, YW Works
Marilyn Putz, Walworth Co., Kaiser Group
Charlotte Manowski, OIC

Kaye Krenzke, ESI
Liz Green, Rock CDHS
Jane Batha, Curtis & Associ.

Recorder:

Stephen Dow, W-2 Contract and Implementation Committee Coordinator

Minutes Approval

A motion was made by James Krivsky to approve the November, 2000 minutes and seconded by Mona Garland. Motion carried.

Issue/Discussion: Monthly 24-Month Extension Report

These reports (Initial, 1st, and 2nd subsequent extensions) were distributed without discussion.

Issue/Discussion: Monthly CARES Update Report, Rose Lynch, DWD/ASD

Ms. Lynch distributed and reviewed a revised CARES management structure chart. She noted that the 4 red boxes immediately below her name are not staff units, but are functions.

The overview of recent and upcoming CARES changes was also distributed. The notices redesign continues to be the highest priority.

Issue/Discussion: Monthly Training Update Report, Gerry Mayhew, DES/BFS/Training Section

This report was distributed without discussion.

Issue/Discussion: Biennial Budget Update, Shawn Smith

Ms. Smith briefly described work DWD is doing with Legislative Fiscal Bureau staff in creating a spreadsheet to show the cost-to-continue for child care and W-2. It assumes no change. The spreadsheet shows a TANF balance at the end of the next fiscal year, but that balance does not account for any increased allocations for child care, which all agree are needed.

As a follow up to the last meeting, DWD has consulted with DOA and legal counsel and is proposing extending the expenditure deadline for Community Reinvestment (CR) money earned under the 1997-1999 contracts to June 30, 2002. Funds "carried over" past 12/31/01 would be allowed only to supplement the base W-2 contract, essentially creating agency-specific contingency funding. 75% of the agency's carryover would be left with the agency; 25% of the carryover would be left in a pool at DES to be distributed to agencies on an as-needed basis.

Mr. Krivsky asked if agencies would charge administrative and direct cost to carryover and benefits to the regular funding; Ms. Noyes responded that would likely be the case.

Mr. VanDyke asked how we would be able to compute the 75/25 percentages; Ms. Noyes said this would be a projection based on agency plans, probably with a reconciliation in early 2002. Ms. Noyes added that DWD and DES are trying to help, not limit agencies.

Ms. Koehn supported the proposal as an agency option; discussion followed about the difficulty of determining an agency's plan. An agency may refrain from spending all CR funds to provide for a carryover, use all the CR and not pursue a carryover, or carryover but not use it during the 6-month period and lose it. If an agency did not spend all its CR dollars (so as to provide a carryover), it could be challenged by the community as not using available resources.

Mr. VanDyke asked how much CR was "encumbered" and agency CR spending patterns; Ms. Smith responded that the data was not available for the meeting.

Ms. Koehn asked how agencies would access the 25% pooled money. Ms. Noyes responded that planning had not gotten that far and that perhaps this would be a good item to discuss in our January, 2001 meeting.

Ms. Bermingham asked if other agencies were experiencing an increase in caseload; the general response was "yes". Some members reported an increase in newborns.

Ms. Morse reminded agency representatives of the importance of keeping their CARS reporting up-to-date so projection of expenses is accurate.

Issue/Discussion: TANF Reauthorization

Ms. Smith reported on a meeting she recently attended of the "Midwest Partners", a coalition of advocacy agencies from Minnesota, Ohio, Michigan, Wisconsin, Indiana and Illinois. Of approximately 200 in attendance, Ms. Smith may have been the only representative of a state government. The group's internet site is: <http://www.midwestpartners.org/sys-tmpl/door/>. Part of its current effort is in working up a platform for the reauthorization debate.

Ms. Pierce asked what the plan is for the next W-2 contract cycle. Ms. Morse reported work on a draft timeline has begun; the last cycle is being reviewed to incorporate anything we learned into the next cycle. Ms. Pierce remarked on the impact

of this cycle on CR planning.

Mr. Kamin asked that members be permitted to participate in the contract cycle as much as possible so the extensive and numerous addendum would not be a part of the next cycle. Ms. Morse and Mr. Stafford promised to keep members informed of activities.

Issue/Discussion: Performance Standards, Paul Saeman & Lynn Schmitt

Mr. Saeman and Ms. Schmitt provided the November spreadsheet and summary report.

Ms. Schmitt reported the adjustment process has gone very smoothly, with the receipt of 7 requests; 2 requests were refused as the agency was able to take corrective action themselves in CARES. One request is pending. Reports will not reflect these adjustments until the final version. The December, 2000 report will be run on 01/09/2001 and will also reflect the cases removed for SSI reasons (these will be removed by CARES actions 12/22/00). This report will be re-run in early February (planned for 02/16/01) to gain cumulative counts, with the adjustments, and be used for the right-of-first-selection process.

The new Total Participants Served (EE Placement denominator) report is C534.

Members asked for the list of SSI-related cases removed from the counts; Ms. Saeman will get the listing. Ms. Shackleton asked if there was a method for challenging that listing if agencies believe there is an error; Mr. Saeman said the adjustment process should be used. Ms. Morse added that any challenge can also be directed to the DWD's Chief Legal Counsel, Howard Bernstein.

Ms. Schmitt reported on an audit of the EE (entered employment) cases as several "duplicate hires" have been found. A report should be available soon for agencies through their Area Administrator. Numbers are unknown, but one agency had only 30 instances out of a universe of 541.

Issue/Discussion: Statewide ES/W-2 Meetings, Kevin Huggins

Mr. Huggins reviewed a proposal for a statewide meeting of ES and W-2 agency managers. The proposal stems from the variety of regional meeting arrangements and the ongoing need for managers to communicate with each other. Members were in general agreement with the proposal but wanted to explore alternatives (1) to travel, (2) to meeting in the southern half of the state, and (3) to an additional meeting. A discussion about joining such a meeting with another conference (like the Governor's E&T Conference) followed; Mr. Huggins will explore the calendar. Ms. Mayhew offered to check on alternatives to travel (remote conferencing, distance learning, etc.). Ms. Reichert mentioned that the remote setup used to plan for Y2K worked well. Mr. Kamin suggested some sort of regional grouping for these meetings, as it is the agencies in the region with whom the communication is needed.

Issue/Discussion: Grievance Process, Stephen Dow

Members reviewed and commented on the draft DES Administrator's Memo re "W-2 Displacement Grievance Policy & Procedure". This memo communicates policy changes required after federal review of our existing process; it requires added participation of the W-2 agencies to ensure the employer provides employee equity. Concerns were:

- "Hired" is used in the memo, implying this memo deals with unsubsidized placements; members understood the agreement with employers only provided for subsidized placements. Members requested this be clarified in the final version.
- Members were concerned with the draft poster. Several members suggested using the posters that had been used in the old WIN program, or may still be used by the Division of Equal Rights.
- Members did not believe this change would significantly increase their agency's workloads.

Members were asked to provide any additional comments by 01/05/2001 through Ms. Cobb.

Issue/Discussion: CSJ Participant's Employment Status, Phyllis Bermingham

Ms. Bermingham reported that an attorney with experience in sheltered workshop employment issues indicated to her and others that a W-2 CSJ participant at a sheltered workshop is the employee of the workshop. This contradicts what was indicated during the implementation of W-2 and Ms. Bermingham wanted assurance, preferably in writing, that this was not the case; that the W-2 is not the employer for purposes of the Fair Labor Standards Act (FLSA).

Mr. Bernstein responded that, although the policy and laws on this issue are not perfect, DWD's position is that the state is the employer in such instances. Mr. Bernstein provided a document "The Status of Community Service Job Participants as 'Employees' Under State and Federal Law". In its last paragraph this is said:

If there should be a finding that a particular CSJ activity is "employment" which results in liability for wage withholding or EIC payments under federal law, DWD's position is that the individual is an employee of the state rather than the W-2 Agency.

He also provided printouts from the US Department of Labor internet site about workplace law and welfare reform. The section of the site is "Labor Protection and Welfare Reform" at: <http://www.dol.gov/dol/asp/public/w2w/welfare.htm>.

Issue/Discussion: Cost Allocation in Community Reinvestment, Ginevra Ewers

Ms. Ewers was ill, so this item will be postponed until the January meeting.

Issue/Discussion: WAA Financial Literacy, Jennifer Noyes

Ms. Noyes referred to BWSP Operations Memo 00-91. This was a change in WAA policy required because DES and DWE misunderstood legislative intent regarding the use of WAA funds. We regret the confusion.

Issue/Discussion: Best Practices Discussion

There was no item anyone chose to discuss in this area today.

Issue/Discussion: OTHER –**WAA Implementation**

Mr. Kamin asked, on Ms. Hughes behalf, for a written statement of changes in policy during the WAA implementation. Ms. Pierce joined by expressing frustration over the inconsistency of financial policy directions. Ms. Noyes said she understood that frustration and is seriously interested in its resolution. Ms. Jenkins added that what is in the WAA Program Guide was agreed to by all responsible parties and should be understood as the prime reference; Ms. Noyes asked that any response conflicting with the Guide's instructions or Ceri's responses be brought to our attention.

2001 Meeting Schedule Calendar

As the Income Maintenance Advisory Committee has agreed to move their meeting date to June 14, our schedule will remain as published.

60-Month Time Limit Workgroup

Mr. Dow relayed an update from Margaret McMahon. The group, including Ms. Hughes (via telephone) from this Committee, has been meeting and reviewing policy issues, including those from this Committee's subcommittee report. The subcommittee's issues/recommendations are each being given attention.

Suggestion for Next Contract

Mr. Kamin asked that consideration be given in the next W-2 contract to separating the funds for benefits further from those for services. That is, the services dollars would remain as they are now; however, the benefits funding would remain with the state and be drawn down as a "sum sufficient" expenditure. A discussion followed with negatives and positives identified, but most members believed the suggestion has sufficient merit for further study. Ms. Noyes agreed

this would be considered and further discussion will follow.

WISCAP Training on Tax Credits

A pamphlet announcing this training (Earned Income Tax Credit, Homestead Credit, Working Families Tax Credit) was distributed.

NEXT MEETING DATE:

**January 19, 2000
10:00 a.m. – 2:00 p.m.**

**Room D203
GEF I, 201 E. Washington Ave., Madison**